

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 244

BY STATE AFFAIRS COMMITTEE

AN ACT

RELATING TO THE STATE LOTTERY; AMENDING SECTION 67-7434, IDAHO CODE, TO REVISE THE FORMULA FOR DISTRIBUTION OF LOTTERY NET INCOME AND DIVIDENDS; AMENDING SECTION 67-7434, IDAHO CODE, AS ENACTED BY SECTION 5, CHAPTER 337, LAWS OF 2014, TO REVISE THE FORMULA FOR DISTRIBUTION OF LOTTERY NET INCOME AND DIVIDENDS; AND PROVIDING AN EFFECTIVE DATE.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 67-7434, Idaho Code, be, and the same is hereby amended to read as follows:

67-7434. LOTTERY NET INCOME AND DIVIDENDS DISTRIBUTION. (1) Total net income, as defined in this chapter, as determined on an annual basis, shall be no less than twenty-nine percent (29%) of lottery revenue. Annually, on July 1, the lottery shall transfer five hundred thousand dollars (\$500,000) of its net income to the racing commission for live Idaho horse race meet purse enhancement; three-eighths (3/8) of its net income to the permanent building account; three-eighths (3/8) of its net income to the school district building account; and one-fourth (1/4) of its net income to the bond levy equalization fund after reserving sufficient moneys to ensure the continuation of the lottery, as determined by the director and commission.

(2) The lottery shall ensure that the distributions made to the permanent building account and the school district building account, pursuant to the provisions of subsection (1) of this section, shall not be less than the amount those accounts received for fiscal year 200814, provided funds are available at the fiscal year 200814 level. Provided however, in the event the level of available funds net income in a fiscal year is less than the net income at the fiscal year 200814 level, one-half (1/2) of the available funds shall be transferred to the permanent building account and one-half (1/2) of the available funds shall be transferred to the school district building account.

~~(3) In the event the lottery determines that an adjustment to an annual transfer as provided in subsection (1) of this section must be made pursuant to the provisions of subsection (2) of this section, the difference shall be deducted from the one-fourth (1/4) net income transfer that was to be made to the bond levy equalization fund, and the bond levy equalization fund shall receive the remainder, if any no greater than two hundred fifty thousand dollars (\$250,000) otherwise dedicated to the racing commission for live Idaho horse race meet purse enhancement in subsection (1) of this section shall instead be transferred and divided one-half (1/2) to the permanent building account and one-half (1/2) to the school district building account.~~

SECTION 2. That Section 67-7434, Idaho Code, as enacted by Section 5, Chapter 337, Laws of 2014, be, and the same is hereby amended to read as follows:

67-7434. LOTTERY NET INCOME AND DIVIDENDS DISTRIBUTION. (1) Total net income, as defined in this chapter, as determined on an annual basis, shall be no less than twenty-nine percent (29%) of lottery revenue. Annually, on July 1, the lottery shall transfer one-half (1/2) of its net income to the permanent building account and one-half (1/2) of its net income to the school district building account, after reserving sufficient moneys to ensure the continuation of the lottery, as determined by the director and commission.

(2) ~~Beginning on July 1, 2009, the distribution of net income provided for in subsection (1) of this section shall be superseded by the provisions of this subsection (2).~~

~~(a) Annually, on July 1, the lottery shall transfer three-eighths (3/8) of its net income to the permanent building account; three-eighths (3/8) of its net income to the school district building account; and one-fourth (1/4) of its net income to the bond levy equalization fund after reserving sufficient moneys to ensure the continuation of the lottery, as determined by the director and commission.~~

Annually, on July 1, the lottery shall transfer five hundred thousand dollars (\$500,000) of its net income to the racing commission for live Idaho horse race meet purse enhancement; one-half (1/2) of its net income to the permanent building account and one-half (1/2) of its net income to the school district building account, after reserving sufficient moneys to ensure the continuation of the lottery, as determined by the director and commission.

~~(b3) The lottery shall ensure that the distributions made to the permanent building account and the school district building account, pursuant to the provisions of paragraph subsection (a2) of this subsection, shall not be less than the amount those accounts received for fiscal year 2008, provided funds are available at the fiscal year 2008 level. Provided however, in the event the level of available funds net income in a fiscal year is less than the net income at the fiscal year 2008 level, one-half (1/2) of the available funds shall be transferred to the permanent building account and one-half (1/2) of the available funds shall be transferred to the school district building account.~~

~~(c) In the event the lottery determines that an adjustment to an annual transfer as provided in paragraph (a) of this subsection must be made pursuant to the provisions of paragraph (b) of this subsection, the difference shall be deducted from the one-fourth (1/4) net income transfer that was to be made to the bond levy equalization fund, and the bond levy equalization fund shall receive the remainder, if any.~~

~~(d) The provisions of this subsection (2) shall be null, void and of no force and effect on and after September 30, 2014 no greater than two hundred fifty thousand dollars (\$250,000) otherwise dedicated to the racing commission for live Idaho horse race meet purse enhancement in subsection (2) of this section shall instead be transferred and divided one-half (1/2) to the permanent building account and one-half (1/2) to the school district building account.~~

1 SECTION 3. Section 2 of this act shall be in full force and effect on and
2 after July 1, 2019.